

Office of the Secretary of Defense

§ 199.3

§ 199.2 Definitions.

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(b) * * *

Domiciliary care. * * *

NOTE: * * * Domiciliary care is not covered under either the CHAMPUS Basic Program or the Program for the Handicapped.

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Management plan. A detailed description of the medical history of and proposed therapy for a CHAMPUS beneficiary seeking benefits under the PFTH as set forth in § 199.5 of this part. A management plan must include, at a minimum, a diagnosis (either in the International Classification of Diseases, 9th Revision, Clinical Modification (ICD-9-CM) or the Diagnostic and Statistical Manual of Mental Disorders, Third Edition (DSM-III); detailed reports of prior treatment, family history, social history, history of handicapping condition, and physical examination, diagnostic test results, consultants (if any) reports; proposed therapeutic approach and modality (including anticipated length of time the proposed modality will be required); prognosis; problem list; and all inclusive current or anticipated monthly charges related to the proposed management plan. If the management plan involves the transfer of a beneficiary from a hospital or another inpatient facility, medical records related to that inpatient stay also are required as a part of the management plan documentation.

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Mental retardation. Subnormal general intellectual functioning associated with impairment of either learning and social adjustment or maturation, or both. The diagnostic classification of moderate and severe mental retardation relates to intelligence quotient as follows:

(i) *Moderate.* Moderate mental retardation IQ 36-51.

(ii) *Severe.* Severe mental retardation IQ 35 and under.

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Physical handicap. A physical condition of the body that meets the following criteria:

(i) *Duration.* The condition is expected to result in death, or has lasted, or with reasonable certainty is expected to last, for a minimum period of 12 months; and

(ii) *Extent.* The condition is of such severity as to preclude the individual from engaging in substantially basic productive activi-

ties of daily living expected or unimpaired persons of the same age group.

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Program for the handicapped (PFTH). The special program set forth in § 199.5 of this part, through which dependents of active duty members receive supplemental benefits for the moderately or severely mentally retarded and the seriously physically handicapped over and above those medical benefits available under the Basic Program.

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Special tutoring. Teaching or instruction provided by a private teacher to an individual usually in a private or separate setting to enhance the educational development of an individual in one or more study areas.

§ 199.3 Eligibility.

(a) *General.* This section sets forth those persons who, by the provisions of 10 U.S.C., Chapter 55, and the NATO Status of Forces Agreement, are eligible for CHAMPUS benefits. For additional statements concerning the special requirements of the Program for Persons with Disabilities (PFPWD), refer to § 199.5. A determination that a person is eligible does not entitle such a person automatically to CHAMPUS payments. Other sections of this part set forth additional requirements that must be met before any CHAMPUS benefits may be extended. Additionally, the use of CHAMPUS may be denied if a Uniformed Services medical facility capable of providing the needed care is available.

(b) *Persons eligible*—(1) *Retiree.* A member or former member of a Uniformed Service who is entitled to retired, retainer, or equivalent pay based on duty in a Uniformed Service.

(2) *Dependent.* A person who bears one of the following relationships to an active duty member (under a call or order that does not specify a period of 30 days or less), to a retiree, to a NATO member who is stationed in or passing through the United States on official business, or to a deceased person who, at the time of death, was an active duty member or a retiree.

NOTE: According to section 767 of the Department of Defense Appropriation Act, 1981, (Pub. L. 96-527), from December 15, 1980,

through September 30, 1981, spouses and children of NATO members are eligible only for *outpatient* CHAMPUS benefits while officially accompanying the NATO member who is stationed in or passing through the United States on official business. Availability of benefits after September 30, 1981, will depend on the language of future appropriation acts.

(i) *Spouse*. A lawful husband or wife, regardless of whether or not dependent upon the active duty member or retiree.

(ii) *Former spouse*. There are two groups of former spouses; (*i.e.*, spouses who were married to a military member or former member but whose marriage has been terminated by a final decree of divorce, dissolution, or annulment). To be eligible for CHAMPUS benefits a former spouse must meet the criteria of paragraphs (b)(2)(ii)(A) through (b)(2)(ii)(E) of this section and must qualify under either the group defined in paragraph (b)(2)(ii)(F)(i) or (b)(2)(ii)(F)(2) of this section.

(A) Must be unremarried;

(B) Must not be covered by an employer-sponsored health plan;

(C) Must have been married to a member or former member who performed at least 20 years of service which can be credited in determining the member's or former member's eligibility for retired or retainer pay;

(D) Must not be eligible for part A of title XVIII of the Social Security Act (Medicare);

(E) Must not be the dependent of a NATO member;

(F) Must meet the requirements of either paragraph (b)(2)(ii)(F)(i), or (b)(2)(ii)(F)(2) of this section.

(i) The former spouse must have been married to the same member or former member for at least 20 years, at least 20 of which were creditable in determining the member's or former member's eligibility for retired or retainer pay. Eligibility continues indefinitely unless affected by any of the conditions in paragraphs (b)(2)(ii)(A) through (b)(2)(ii)(E) of this section.

(j) If the date of the final decree of divorce, dissolution, or annulment is before February 1, 1983, the former spouse is eligible for CHAMPUS coverage of health care received on or before January 1, 1985.

(ii) If the date of the final decree of divorce, dissolution of marriage, or an-

nulment was on or after February 1, 1983, the former spouse is eligible for CHAMPUS coverage of health care which is received on or after the date of the divorce, dissolution, or annulment.

(2) The former spouse must have been married to the same military member or former member for at least 20 years, and at least 15, but less than 20 of those married years were creditable in determining the member's or former member's eligibility for retired or retainer pay.

(j) If the date of the final decree of divorce, dissolution of marriage, or annulment, is before April 1, 1985, the former spouse is eligible only for health care received on or before January 1, 1985, or the date of the divorce, dissolution, or annulment, whichever is later.

(ii) If the date of the decree was on or after April 1, 1985, but before September 29, 1988, the former spouse is eligible only for care received from the date of the divorce, dissolution, or annulment until December 31, 1988, or for two years from the date of the divorce, dissolution, or annulment, whichever is later.

(iii) If the date of the final decree of divorce, dissolution, or annulment is on or after September 29, 1988, the former spouse is eligible only for care received within the 365 days (366 days in the case of a leap year) immediately following the date of the divorce, dissolution, or annulment.

(iv) Former spouses listed under paragraphs (b)(2)(ii)(F)(2)(ii) or (b)(2)(ii)(F)(2)(iii) of this section, who purchase a DoD designated health insurance policy upon termination of their eligibility, or within 90 days of termination of their eligibility, under paragraphs (b)(2)(ii)(F)(2)(ii) or (b)(2)(ii)(F)(2)(iii) of this section, are eligible for an additional year of coverage at military treatment facilities and under CHAMPUS for preexisting conditions. Preexisting conditions are those for which coverage is denied by the conversion health plan, solely because the conditions existed in the twelve month period prior to the purchase of the conversion insurance policy.

(iii) *Widow or widower.* A person who was a spouse at the time of death of the active duty member or retiree and who has not remarried.

NOTE: For purposes of this part, an unremarried widow or widower is not an eligible dependent of a NATO member.

(iv) *Child.* To be eligible, the child must be unmarried and a member of one of the classes set forth in paragraph (b)(2)(iv) (A) or (B) of this section, and who also meets the requirements of paragraph (b)(2)(iv)(C) of this section.

(A) Child of active duty member.

(1) A legitimate child.

(2) An adopted child whose adoption has been legally completed. For eligibility under this provision, adoption must take place on or before the child's twenty-first birthday.

(3) A legitimate stepchild.

(4) An illegitimate child of a male member whose paternity has been determined judicially, or an illegitimate child of record of a female member who has been directed judicially to support the child.

(5) An illegitimate child of a male active duty member whose paternity has not been determined judicially, or an illegitimate child of record of a female active duty member who:

(i) Resides with or in a home provided by the member; and

(ii) Is and continues to be dependent upon the member for over 50 percent of his or her support.

(6) An illegitimate child of the spouse of an active duty member (that is, the active duty member's stepchild) who:

(i) Resides with or in a home provided by the active duty member or the parent who is the spouse of the member; and

(ii) Is and continues to be dependent upon the member for over 50 percent of his or her support.

(B) Child of retiree, or deceased member or retiree.

(1) A legitimate child.

(2) An adopted child whose adoption has been legally completed. For eligibility under this provision, adoption must take place on or before the child's twenty-first birthday.

(3) A legitimate stepchild.

(4) An illegitimate child of a male retiree whose paternity has been determined judicially, or an illegitimate child of record of a female retiree who has been directed judicially to support the child.

(5) An illegitimate child of a male retiree, or deceased male member or retiree whose paternity has not been determined judicially or an illegitimate child of record of a female retiree, or deceased female member or retiree who—

(i) Resides with or in a home provided by the retiree, or which was being provided by the deceased member or retiree at the time of death; and

(ii) Is and continues to be dependent upon the retiree for over 50 percent of his or her support, or who was so dependent on the deceased member or retiree at the time of death.

(6) An illegitimate child of the spouse of a retiree or deceased member or retiree (that is, the retiree's stepchild or stepchild of a deceased member or retiree at the time of death) who—

(i) Resides with or in a home provided by the retiree or the parent who is the spouse of the retiree or was the spouse of the deceased member or retiree at the time of death; and

(ii) Is and continues to be dependent upon the retiree for 50 percent of his or her support, or who was so dependent on the deceased member or retiree at the time of death.

(C) Additional requirements for a child who is a member of one of the classes in paragraphs (b)(2)(iv) (A) and (B) of this section. The child must not be married. Additionally, he or she must be in one of the following three age groups:

(1) Not passed his or her 21st birthday.

(2) Passed his or her 21st birthday but incapable of self-support because of a mental or physical incapacity that existed before his or her 21st birthday and dependent on the member or retiree for over 50 percent of his or her support, or dependent upon the member or retiree for over 50 percent of his or her support on the date of the member's or retiree's death. Such incapacity must be continuous. If the incapacity significantly improves or ceases at

any time after age 21, even if such incapacity recurs subsequently, CHAMPUS eligibility cannot be reinstated on the basis of the incapacity. If the child was not handicapped mentally or physically at his or her 21st birthday, but becomes so incapacitated after that time, no CHAMPUS eligibility exists on the basis of the incapacity.

(3) Passed his or her 21st birthday but not his or her 23rd birthday, dependent upon the member or retiree for over 50 percent of his or her support, or dependent upon the member or retiree for over 50 percent of his or her support on the date of the member's or retiree's death, and pursuing a full-time course of education in an institution of higher learning approved by the Secretary of Defense or the Department of Education (as appropriate) or by a state agency under 38 U.S.C. Chapters 34 and 35.

NOTE: Courses of education offered by institutions listed in the "Education Directory, Part 3, Higher Education" or "Accredited Higher Institutions" issued periodically by the Department of Education meet the criteria approved by the Secretary of Defense or the Department of Education (refer to paragraph (b)(2)(iv)(C)(3) of this section. For determination of approval of courses offered by a foreign institution, by an institution not listed in either of the above directories, or by an institution not approved by a state agency pursuant to Chapters 34 and 35 of 38 U.S.C., a statement may be obtained from the Department of Education, Washington, DC 20202.

(c) *Beginning dates of eligibility*—(1) *General.* The beginning date of eligibility is dependent upon the class to which the person belongs and the date the person became a member of the class. Those who join after the class became eligible attain individual eligibility on the date they join.

(2) *Beginning dates of class eligibility*—(i) *Spouse, legitimate child, adopted child, or (legitimate) stepchild of an active duty member.*

(A) For the medical benefits authorized by the Dependents' Medical Care Act of 1956, December 7, 1956.

(B) For outpatient medical benefits under the Basic Program, October 1, 1966.

(C) For inpatient medical benefits under the Basic Program, January 1, 1967.

(D) For benefits under the PFPWD, January 1, 1967.

(ii) *Retiree.* For medical benefits under the Basic Program, January 1, 1967.

NOTE: Retirees and their dependents are not eligible for benefits of the PFPWD.

(iii) Spouse, legitimate child, adopted child, or (legitimate) stepchild of a retiree or of a deceased member or retiree; widow or widower of deceased member or retiree. For medical benefits under the Basic Program, January 1, 1967.

NOTE: These classes do not have eligibility for benefits of the PFPWD.

(iv) Illegitimate child of a male active duty member or retiree (or deceased member or retiree) whose paternity has been determined judicially or an illegitimate child of record of a female active duty member or retiree (or deceased member or retiree) who has been directed judicially to support the child. For all benefits for which otherwise eligible, August 31, 1972.

(v) Illegitimate child of male active duty member or retiree (or deceased male member or retiree) whose paternity has not been determined judicially, or an illegitimate child of record of a female active duty member or retiree (or deceased female member or retiree) who resides with or in a home provided by the active duty member or retiree (or which was being provided by the deceased member or retiree at the time of death) and who is dependent on the member for over 50 percent of his or her support (or was so dependent on the deceased member or retiree at the time of death). For all benefits for which otherwise eligible, January 1, 1969.

(vi) Illegitimate child of the spouse of an active duty member or retiree (that is, the member or retiree's stepchild or stepchild of a deceased member or retiree at the time of death) who resides with or in a home provided by the active duty member or retiree, or the parent who is the spouse of the active duty member or retiree (or was the spouse of the deceased member or retiree at the time of death), and who is dependent upon the active duty member or retiree for over 50 percent of his or her support (or was so dependent on

the deceased member or retiree at the time of death). For medical benefits under the Basic Program, January 1, 1969. For benefits under the PFPWD, dependents of an active duty member only, January 1, 1969.

NOTE. Retirees or their dependents do not have eligibility for benefits of the PFPWD.

(d) *Dual coverage.* When an active duty member is also the dependent of another active duty member, a retiree, or a deceased active duty member or retiree, dual coverage, that is, entitlement to direct care from the Uniformed Services medical care system and CHAMPUS is the result. Since the active duty status is primary, and it is the intent that all medical care be provided an active duty member through the Uniformed Services medical care system, CHAMPUS eligibility of dual coverage is therefore terminated as of 12:01 a.m. on the day following the day dual coverage begins. (However, any dependent children in a marriage of two active duty persons or an active duty member and a retiree, are CHAMPUS eligible in the same manner as dependent children of a marriage involving only one CHAMPUS sponsor.) Should a spouse or dependent who has dual coverage leave active duty status, that person's CHAMPUS eligibility is reinstated as of 12:01 a.m. of the day active duty ends, if he or she otherwise is eligible as a dependent of a CHAMPUS sponsor.

(e) *Changes in and termination of eligibility.* (1) *Changes in status of active duty member.* When an active duty member's period of active duty ends (for any reason other than retirement or death), his or her dependents lose their eligibility as of 12:01 a.m. of the day following the day the active duty ends. Entitlement to CHAMPUS benefits also ceases as of 12:01 a.m. of the day following the day a member is placed in desertion status. The member's dependent regains eligibility when the member is returned to military control. A member serving a sentence of confinement in conjunction with a sentence of a punitive discharge is still considered on active duty until such time as the discharge is executed.

(2) *Changes in status of retiree.* Should a retiree cease to be entitled to retired,

retainer, or equivalent pay for any reason, that person and his or her dependents lose their eligibility as of 12:01 a.m. of the day following the day the retiree ceases to be entitled to such pay unless such persons are otherwise eligible. A retiree who waives his or her retired, retainer, or equivalent pay is still considered a retiree for the purposes of CHAMPUS eligibility.

(3) *Changes in status of dependent—(i) Divorce.* Except as provided in paragraph (b)(2)(ii) of this section, a spouse separated from an active duty member or retiree by a final divorce decree loses all eligibility based on his or her former marital relationship as of 12:01 a.m. of the day following the day the divorce becomes final. The eligibility of the member's or retiree's own children (including adopted and eligible illegitimate children) is unaffected by the divorce. An unadopted stepchild, however, loses eligibility with the termination of the marriage, also as of 12:01 a.m. the day following the day the divorce becomes final.

(ii) *Annulment.* Except as provided in paragraph (b)(2)(ii) of this section, a spouse whose marriage to an active duty member or retiree is dissolved by annulment loses eligibility as of 12:01 a.m. of the day following the date the court grants the annulment order. The fact that the annulment legally declares the entire marriage void from its inception does not affect the termination date of CHAMPUS eligibility. When there are children, the eligibility of the member's or retiree's own children (including adopted and eligible illegitimate children) is unaffected by the annulment. An unadopted stepchild, however, loses eligibility with the annulment of the marriage, also as of 12:01 a.m. of the day following the day the court grants the annulment order.

(iii) *Adoption.* A child of an active duty member or retiree who is adopted by a person, other than a person whose dependents are eligible for CHAMPUS benefits while the active duty member or retiree is living, thereby severing the legal relationship between the child and the sponsor, loses eligibility as of 12:01 a.m. of the day following the day the adoption becomes final. However, an adoption occurring after the

death of an active duty member or retiree would not result in loss of the child's eligibility, since there would be no termination of the legal relationship between the child and the deceased sponsor.

(iv) *Marriage of child.* A child of an active duty member or retiree, who marries a person whose dependents are not eligible for CHAMPUS, loses eligibility as of 12:01 a.m. of the day following the day of the marriage. However, should the marriage be terminated by death, divorce, or annulment before the child is 21 years old, the child again becomes a CHAMPUS eligible dependent as of 12:01 a.m. of the day following the day of the occurrence that terminates the marriage and continues up to age 21 if the child does not marry before that time. If the marriage terminates after the child's 21st birthday, there is no reinstatement of CHAMPUS eligibility.

(v) *Marriage of widow or widower.* The remarriage of a widow or widower of an active duty member or retiree to a person whose dependents are not eligible for CHAMPUS terminates his or her CHAMPUS eligibility as of 12:01 a.m. of the day following the day of marriage. Even if such remarriage should terminate for any reason, CHAMPUS benefits cannot be reinstated. However, the child of the widow or widower who was the stepchild of the deceased active duty member or retiree at the time of death continues to have the same CHAMPUS eligibility as other classes of dependent children.

(vi) Attainment of entitlement to hospital insurance benefits (Part A) under Medicare. Retirees, and all other CHAMPUS eligible persons except dependents of active duty members lose their eligibility for CHAMPUS if they become eligible for hospital insurance benefits (Part A) of Medicare. This is true even though the persons attaining such status live outside the United States where Medicare benefits are not available.

(A) Loss of CHAMPUS eligibility: Age. All CHAMPUS beneficiaries, except dependents of active duty members, and beneficiaries not eligible for Part A of Medicare, lose CHAMPUS eligibility at midnight on the last day of the month preceding the month of at-

tainment of age 65. (For Medicare purposes, an individual attains age 65 the day before his or her 65th birthday.) If the person is not eligible for Part A of Medicare, he or she must file a Social Security Administration "Notice of Disallowance" certifying to that fact with the Uniformed Service responsible for the issuance of his or her identification card so a new card showing CHAMPUS eligibility can be issued.

(B) Loss of CHAMPUS eligibility: End stage renal disease and disability—(1) *End stage renal disease.* Medicare coverage begins with the third month after the month a course of maintenance dialysis begins, or with the first month of dialysis if the individual participates in a self-dialysis training program during the 3-month waiting period, or with the month in which a patient enters the hospital to prepare to receive a transplant (providing the transplant is performed within the following 2 months). If a transplant is delayed more than 2 months after the preparatory hospitalization, Medicare coverage will begin with the second month prior to the month of transplant. All beneficiaries, except dependents of active duty members, lose their CHAMPUS eligibility when Medicare coverage becomes available to a person because of chronic renal disease.

(2) *Disability.* Each case relating to Medicare eligibility resulting from being disabled requires individual investigation. All beneficiaries except dependents of active duty members lose their CHAMPUS eligibility when Medicare coverage becomes available to a disabled person.

(C) Reinstatement of CHAMPUS eligibility—(1) *Age limitation.* Beneficiaries who lose their CHAMPUS eligibility because they reached the age limitation and were eligible for Part A, cannot be reinstated under CHAMPUS.

(2) *End stage renal disease.* Medicare coverage ceases for end stage renal disease patients with the 36th month after the month in which a successful kidney transplant takes place or with the 12th month after the month in which the course of maintenance dialysis ends. At this point CHAMPUS eligibility resumes if the person is otherwise still eligible. He or she is required to take action to be reinstated as a CHAMPUS

beneficiary and to obtain a new identification card.

(3) Disability. Some disabilities are permanent, other temporary. Each case must be reviewed individually. When disability ends and Medicare eligibility ceases, CHAMPUS eligibility resumes if the person is otherwise still eligible. Again, he or she is required to take action to obtain a new CHAMPUS identification card.

(D) Other Medicare entitlement. Entitlement only to supplementary medical insurance (Part B) of Medicare, but not Part A, or to Part A through the Premium-HI provision (provided for under the 1972 Amendments to the Social Security Act), does not affect CHAMPUS eligibility for any class of beneficiary. The only impact relates to double coverage (refer to §199.8 of this part).

(vii) Disabling illness or injury of child age 21 or 22 who has eligibility based on his or her student status. A child 21 or 22 years old who is pursuing a full-time course of higher education and who, either during the school year or between semester, suffers a disabling illness or injury with resultant inability to resume attendance at the institution remains eligible for CHAMPUS medical benefits for 6 months after the disability is removed or until the student passes his or her 23rd birthday, whichever occurs first. However, if recovery occurs before the 23rd birthday and there is resumption of a full-time course of higher education, CHAMPUS benefits can be continued until the 23rd birthday. The normal vacation periods during an established school year do not change the eligibility status of a dependent child 21 or 22 years old in full-time student status. Unless an incapacitating condition existed before, and at the time of, a dependent child's 21st birthday, a dependent child 21 or 22 years old in student status does not have eligibility related to mental or physical incapacity as described in paragraph (b)(2)(iv)(C)(2) of this section.

(f) *Determination of eligibility status—*
(1) *Eligibility determinations responsibility of Uniformed Services.* Determination of a person's eligibility as a CHAMPUS beneficiary is the responsibility of the Uniformed Service in which the active

duty member, retiree, deceased member, or deceased retiree is, or was, a member, or in the case of dependents of a NATO military member, the Service that sponsors the NATO member. For the purpose of program integrity, the appropriate Uniformed Service shall, upon request of the Director, OCHAMPUS, review the eligibility of a specific person when there is reason to question the eligibility status. In such cases, a report on the result of the review and any action taken will be submitted to the Director, OCHAMPUS, or a designee.

(2) *Procedures for determination of eligibility.* Procedures for the determination of eligibility and issuance of identification cards evidencing eligibility are prescribed by the following regulatory documents:

(i) *Department of Defense.* DoD Instruction 1000.13.⁶

(ii) *Army.* AR 640-3, "Identification Cards, Tags, and Badges."

(iii) *Navy.* (A) NAVPERS 15560, articles 4620150 (active duty members) and 4620250 (retired members).

(B) NAVMILPERSCOMINST 1750.1 series, Uniformed Services Identification and Privilege Card (DD Form 1173); regulations governing.

(iv) *Marine Corps.* (A) MCO in P1900 series, Separation and Retirement Manual (DD Form 2MC-RETIRED).

(B) MCO in P1750 series, Uniformed Services Identification and Privilege Card (DD Form 1173).

(v) *Air Force.* AFR 30-20, "Issue and Control of Identification Cards."

(vi) *U.S. Public Health Service.* CC29.2, Personnel Instruction 1 and 2.

(vii) *Coast Guard.* Personnel Manual (CG 207, Chapter 13, Section E, and Chapter 18, Section C).

(viii) *NOAA.* No published regulations. Identification cards are issued by Headquarters, NOAA, or the applications are verified by Headquarters, NOAA, and presented to any Uniformed Service facility for issuance of a card.

(g) *Evidence of eligibility required.* Eligibility for CHAMPUS benefits will be verified through the DEERS (DoD 1341.1-M⁷).

⁶See footnote 2 to §199.1(c)(2)(i).

⁷See footnote 1 to §199.1(c)(2)(i).

§ 199.4

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(1) *Acceptable evidence of eligibility*—(i) *DEERS*. Eligibility information established and maintained in the DEERS files is acceptable evidence of eligibility.

(ii) *Identification cards or devices*. When the DEERS file is not accessible immediately, acceptable preliminary evidence of eligibility includes valid identification cards or devices officially prescribed and issued by the appropriate Uniformed Service. Dependents identification cards must confirm CHAMPUS eligibility.

(2) *Responsibility for obtaining evidence of eligibility*. It is the responsibility of the CHAMPUS beneficiary, or parent, or legal representative, when appropriate, to provide the necessary evidence required for entry into the DEERS file to establish CHAMPUS eligibility, and to ensure that all changes in status that may affect eligibility be reported immediately to the appropriate Uniformed Service for action. Ineligibility for CHAMPUS benefits may be presumed in the absence of prescribed eligibility evidence in the DEERS file or in the absence of a valid identification card or device.

[51 FR 24008, July 1, 1986, as amended at 52 FR 27991, July 27, 1987; 53 FR 17191, May 16, 1988; 55 FR 27634, July 5, 1990; 62 FR 35092, June 30, 1997]

EFFECTIVE DATE NOTE: At 62 FR 35092, June 30, 1997, § 199.3 was amended by revising paragraphs (a), (c)(2)(i)(D), the note under paragraph (c)(2)(ii), the note under paragraph (c)(2)(iii), and the last sentence and note of paragraph (c)(2)(vi), effective Oct. 28, 1997. For the convenience of the user, the superseded text is set forth as follows:

§ 199.3 Eligibility.

(a) *General*. This section sets forth those persons who, by the provisions of 10 U.S.C. chapter 55, and the NATO Status of Forces Agreement, are eligible for CHAMPUS benefits. For additional statements concerning the special requirements of the PFTH, refer to § 199.5 of this part. A determination that a person is eligible does not entitle such a person automatically to CHAMPUS payments. Other sections of this part set forth additional requirements that must be met before any CHAMPUS benefits may be extended. Additionally, the use of CHAMPUS may be denied if a Uniformed Service medical facil-

ity capable of providing the needed care is available.

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(c) * * *

(2) * * *

(i) * * *

(D) For benefits under the PFTH, January 1, 1967.

(ii) * * *

NOTE: Retirees and their dependents are not eligible for benefits of the PFTH.

(iii) * * *

NOTE: These classes do not have eligibility for benefits of the PFTH.

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(vi) * * * For benefits under the PFTH, dependents of an active duty member only, January 1, 1969.

NOTE: Retirees or their dependents do not have eligibility for benefits of the PFTH.

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§ 199.4 Basic program benefits.

(a) *General*. The CHAMPUS Basic Program is essentially a supplemental program to the Uniformed Services direct medical care system. The Basic Program is similar to private insurance programs, and is designed to provide financial assistance to CHAMPUS beneficiaries for certain prescribed medical care obtained from civilian sources.

(1)(i) *Scope of benefits*. Subject to all applicable definitions, conditions, limitations, or exclusions specified in this part, the CHAMPUS Basic Program will pay for medically necessary services and supplies required in the diagnosis and treatment of illness or injury, including maternity care and well-baby care. Benefits include specified medical services and supplies provided to eligible beneficiaries from authorized civilian sources such as hospitals, other authorized institutional providers, physicians, other authorized individual professional providers, and professional ambulance service, prescription drugs, authorized medical supplies, and rental or purchase of durable medical equipment.

(ii) *Impact of TRICARE program*. The basic program benefits set forth in this